

# The Gazette of India

## EXTRAORDINARY PART II—Section 1 PUBLISHED BY AUTHORITY

No. 48 NEW DELHI, FRIDAY SEPTEMBER 29, 1961/ASVINA 7, 1883

### MINISTRY OF LAW

(Legislative Department)

*New Delhi, the 29th September, 1961/Asvina 7, 1883 (Saka)*

### THE SUGAR (REGULATION OF PRODUCTION) ORDINANCE, 1961

No. OF 1961

Promulgated by the President in the Twelfth Year of the Republic of India.

An Ordinance to provide for the regulation of production of sugar in the interests of the general public and for the levy and collection of a special excise duty on sugar produced by a factory in excess of the quota fixed for the purpose.

WHEREAS Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

Now, THEREFORE, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

1. (1) This Ordinance may be called the Sugar (Regulation of Production) Ordinance, 1961.

Short title,  
extent and  
commence-  
ment.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

(3) It shall come into force on the 1st day of November, 1961.

2. In this Ordinance, unless the context otherwise requires,—

Definitions.

(a) "Central Excises Act" means the Central Excises and Salt Act, 1944;

(b) "factory" means any premises (including the precincts thereof), wherein or in any part of which sugar is being manufactured by the vacuum pan process, or, wherein or in any part of which, any manufacturing process connected with the production of sugar by the vacuum pan process is being carried on or is ordinarily carried on;

(c) "owner" shall have the meaning assigned to it in the Sugar Export Promotion Act, 1958;

30 of 1958.

(d) "permissible quota" means the quota referred to in section 3;

(e) "prescribed" means prescribed by rules made under this Ordinance;

(f) "sugar" means any form of sugar, whether wholly or partially manufactured, but does not include—

(i) khandsari sugar, that is to say, sugar in the manufacture of which neither a vacuum pan nor a vacuum evaporator is employed; or

(ii) palmyra sugar, that is to say, sugar manufactured from jaggery obtained by boiling the juice of the palmyra palm;

(g) "year" means the year beginning on the first day of November and ending on the thirty-first day of October in the following year.

Fixation of  
permissible  
quota.

3. (1) The Central Government may, by order in writing, fix from time to time, in accordance with the prescribed formula, the quantity of sugar which may be produced in a factory during any year.

(2) In prescribing the formula referred to in sub-section (1), the Central Government shall have regard to—

(a) the quantity of sugar available at the commencement of the year in the territories to which this Ordinance extends,

(b) the quantity of sugar which, in its opinion, would be reasonably required for consumption during the year in the territories to which this Ordinance extends,

(c) the quantity of sugar which, in its opinion, is likely to be required for export during the year,

(d) the working capacity of the factory during the relevant period,

(e) the number of days on which the factory actually worked during the relevant period,

(f) the quantity of sugar produced expressed as percentage of the sugarcane crushed during the relevant period, and

(g) such other matters as may be prescribed.

(3) The order referred to in sub-section (1) shall be communicated to the owner of each factory and the quantity fixed under the order for any year shall be deemed to be the permissible quota in respect of the factory for that year.

4. (1) Where the quantity of sugar produced in a factory during any year exceeds the permissible quota fixed for it for that year, there shall be levied and collected on the quantity of sugar which is produced in excess of the permissible quota a special duty of excise at the rate at which the duty of excise is chargeable on sugar under the Central Excises Act for the time being in force.

Levy and  
collection of  
special ex-  
cise duty.

(2) The special duty of excise referred to in sub-section (1) shall be in addition to the duty of excise chargeable on sugar under the Central Excises Act or any other law for the time being in force and shall be paid by the owner to such authority as may be specified in the notice demanding the payment of duty and within such period not exceeding ninety days as may be specified in such notice.

(3) If any such owner does not pay the whole or any part of the duty payable by him within the period referred to in sub-section (2), he shall be liable to pay in respect of every period of thirty days or part thereof during which the default continues a penalty which may extend to ten per cent. of the duty outstanding from time to time, the penalty being adjudged in the same manner as the penalty to which a person is liable under the rules made under the Central Excises Act, is adjudged.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duty shall, so far as may be, apply in relation to the levy and collection of the special duty of excise or any other sum referred to in this section as they apply in relation to the levy and collection of duty on sugar or other sums of money payable to the Central Government under that Act or the rules made thereunder:

Provided that no refund of the special excise duty or other sum shall be granted, if the whole or any part of the sugar in respect of which such duty or sum is payable under this section, is exported out of India.

Delegation  
of powers.

5. The Central Government may, by notification in the Official Gazette, direct that any power conferred on it by this Ordinance shall, subject to such conditions, if any, as may be specified in the notification, be exercisable also by such officer or authority subordinate to the Central Government as may be specified in the notification.

Protection of  
action taken  
under Ordinance.

6. No suit, prosecution or other legal proceeding shall lie against the Central Government or any of its officers for or in respect of anything which is in good faith done or intended to be done in pursuance of this Ordinance or any rule or order made thereunder.

Power to  
make rules.

7. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Ordinance.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the formula for fixing the quota under section 3, and the relevant period referred to in clauses (d), (e) and (f), and the matters referred to in clause (g) of sub-section (2) of that section;

(b) the submission by owners to such authority as may be specified in this behalf, of returns or reports or other information relating to the manufacture and stocks of sugar;

(c) the manner in which the accounts of the factory in respect of the manufacture of sugar may be maintained;

(d) the inspection of records and registers of factories;

(e) any other matter which is to be or may be prescribed under this Ordinance.

(3) In making a rule under this section, the Central Government, may direct that a breach thereof shall be punishable with fine which may extend to five thousand rupees.

S. RADHAKRISHNAN,

*Vice-President*

*discharging the functions of the President.*

R. C. S. SARKAR,

*Secy. to the Govt. of India.*